

LEGAL NOTICE

STATE OF LOUISIANA, OFFICE OF CONSERVATION, BATON ROUGE, LOUISIANA.

In accordance with the laws of the State of Louisiana, and with particular reference to the provisions of Title 30 of Louisiana Revised Statutes of 1950, a public hearing will be held in the Hearing Room, 1st Floor, LaSalle Building, 617 North 3rd Street, Baton Rouge, Louisiana, at 9:00 a.m. on **TUESDAY, SEPTEMBER 9, 2008**, upon the application of **CORONADO ENERGY E&P COMPANY, LLC**.

At such hearing the Commissioner of Conservation will consider evidence relative to the issuance of Orders pertaining to the following matters relating to the **Hosston Zone, the Cotton Valley Formation, Reservoir A and the Haynesville Zone, Reservoir A**, in the Logansport Field, DeSoto Parish, Louisiana.

1. To create three (3) additional drilling and production units for the exploration for and production of gas and condensate from the Haynesville Zone, Reservoir A.
2. To force pool and integrate all separately owned tracts, mineral leases and other property interests within the proposed additional units in accordance with Section 10, Title 30, of the Louisiana Revised Statutes of 1950, with each tract sharing in unit production on a surface acreage basis of participation.
3. To designate a unit operator of, and unit wells for, the proposed additional units as may be appropriate.
4. To propose that future wells drilled to the Haynesville Zone within or outside of the additional units proposed herein be located no closer than 330 feet to any unit boundary and no closer than 660 feet to any well completed in, drilling to, or for which a permit has been granted to drill to the Haynesville Zone.
5. To define the Haynesville Zone, Reservoir A, as that gas and condensate bearing interval encountered between the measured depths of 9,800' and 11,256' in the Comstock Oil & Gas-LA LLC-Caraway Estate No. 2 Well, located in Section 20, Township 12 North, Range 16 West.
6. To expand the provisions of Office of Conservation Order No. 28-11, effective September 19, 2006 and Order No. 28-14, effective September 11, 2007, authorizing downhole combination of production from the Hosston Zone and the Cotton Valley Formation, Reservoir A, with respect to the previously created units for these formations which are identical to the additional units proposed herein for the Haynesville Zone, Reservoir A, so as to include production from the Haynesville Zone, Reservoir A, in any well in which the interests in the units from which production is to be combined downhole are identical.
7. To authorize Applicant to drill, designate and utilize four (4) alternate unit wells for HOSS SU54 and for CV RA SUP, four (4) alternate unit wells for HOSS SUGG and for CV RA SUB, and three (3) alternate unit wells for HOSS SUY and for CV RA SUG, at the locations shown on the plats submitted with the application.
8. To approve exceptions to the spacing provisions of Order No. 28-W, effective April 22, 1980 and Order No. 28-S-4, effective July 22, 1981, for the location of any of the proposed wells, as shown on the plats submitted with the application, which does not comply with these spacing provisions.
9. To find that each of the proposed alternate unit wells is necessary to efficiently and economically drain a portion of the Cotton Valley Formation, Reservoir A and the Hosston Zone underlying the unit on which it is proposed to be drilled which cannot be efficiently and economically drained by any existing well on such unit.
10. To permit the operator of CV RA SUB, CV RA SUG and CV RA SUP to produce the allowables assigned to these units from either the unit well, from any alternate unit well, or from any combination of such wells, at the option of the operator.
11. To consider such other matters as may be pertinent.

The Hosston Zone is defined in Order No. 28-S, effective April 21, 1970.

The Cotton Valley Formation, Reservoir A is defined in Order No. 28-W-1, effective October 15, 1982.

Plats are available for inspection in the Office of Conservation in **Baton Rouge and Shreveport**, Louisiana.

www.dnr.state.la.us/CONS/CONSEREN/hearings/pubhearings.htm.

All parties having interest therein shall take notice thereof.

BY ORDER OF:

JAMES H. WELSH
COMMISSIONER OF CONSERVATION

Baton Rouge, LA

7/30/08;8/4/08

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IF ACCOMMODATIONS ARE REQUIRED UNDER AMERICANS WITH DISABILITIES ACT, PLEASE ADVISE THE OFFICE OF CONSERVATION-ENGINEERING DIVISION AT P.O. BOX 94275, BATON ROUGE, LA 70804-9275 IN WRITING WITHIN TEN (10) WORKING DAYS OF THE HEARING DATE.